REPUBLIC OF SERBIA

CITY OF PROKUPLJE



Pursuant to article 35, and related to article 10, paragraph 1, article 20, paragraph 3 and article 22 of the Law on public-private partnership and concessions of the Republic of Serbia („Official gazette of the RS“, issues 88/2011, 15/2016, and 104/2016) („The Law on concessions“), The City of Prokuplje („The City“), in the capacity of a concedent announces this

**PUBLIC CALL**

for the participation in the procedure of

**CONCESSION AWARD**

**For financing, management, and performing communal activities related to parking lots, city cleanliness, city open markets and urban green spaces in the city of Prokuplje**

The City invites all the interested domestic and foreing legal entities and natural persons who fulfill conditions of this public call („**Public call**“)to participate in the procedure of the concession award for financing, management, andperforming communal activities related to parking lots, city cleanliness, city open markets and urban green spaces in the city of Prokuplje („Concession“).

1. The City contact information:

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| Ugljesa Kostic, the Professional team member |
| A: Nikodija Stojanovica 2, 18400 Prokuplje, Serbia  W: <https://prokuplje.org.rs/>  E: nabavke.opstina.pk@gmail.com |

1. Concession information
   1. Legal basis

Article 10, paragraph 1 of the law on Public-Private partnership and concessions (the Law on PPP) defines a concession, related to this law, as a contract of institutional PPC with elements of concession, in which the public contract defines commercial use of natural resources, goods of general use in public ownership, that is, goods owned by a public body or performing activities of general interest, which a public partner concedes to a private partner, for a definite period of time, under special prescribed conditions, with paying a concession fee by the private, that is the public partner, while the private partner bears the risk related to the commercial use of the subject of concession.

Article 11, paragraph 1 of the Law on PPP proposes that a concession can be given for (а) commercial use of the means owned by a public body or for (б) performing activities of general interest, and especially for a specific list of activities quoted in this article, among which are communal activities.

Article 20, paragraph 3 of the Law on PPP defines that, if the PPP project realization implies giving concession from article 10, paragraph 1 of this law, the procedure of choosing a private partner shall be carried out in accordance with the provisions of the Law on PPP.

Article 3 of the **Law on communal activities** („Official gazette of RS“ issues 88/11, 104/16, and 95/18) proposes that in relation to this law, communal activities also include:

- **Management of public parking lots** (clause 7) Management of public parking lots is the service of maintaining public parking lots and parking spaces in marked places (closed and open spaces), organization and control of parking, collection of improperly parked, discarded or abandoned vehicles, relocation of parked vehicles under the conditions prescribed by this and another special law, installation of devices that prevent the removal of vehicles by order of the competent authority, as well as removal, relocation of vehicles and installation of devices that prevent the removal of vehicles in cases provided by a special decision of the assembly of the local self-government. as well as charging for these services;

- **Market management** (clause 9) Market management is communal equipment, maintenance of facilities in markets (market business space, including kiosks and open-air stalls), leasing of stalls in markets and organization of activities in closed and open spaces intended for agricultural and food trade. and other products;

- **Maintenance of cleanliness in public areas** (clause 11) Maintenance of cleanliness in public areas is cleaning and washing of asphalted, concrete, paved and other public areas, collection and removal of municipal waste from those areas, maintenance and emptying of waste containers in public areas, as well as maintenance of public fountains, wells, fountains, baths, beaches and toilets as communal facilities;

- **Maintenance of public green areas** (point 12) Maintenance of public green areas is arrangement, current and investment maintenance, reconstruction and rehabilitation of green, recreational areas and coastal areas;

Article 9, paragraph 7 of the **Law on communal activities** (“Official gazette of the RS”, issues 88/11, 104/16, and 95/18) proposes that the provisions of the law governing public-private partnerships and concessions shall apply to the procedure of entrusting the performance of communal activities whose financing is provided from the budget of the local self-government unit, that is, whose financing is provided in full or in part by collecting fees from communal service users.

* 1. The subject of concession/ Nature and scope of concession activity

The subject of concession is financing, management and performing communal activities related to parking lots, city cleanliness, open markets and urban green spaces in the City of Prokuplje, which are currently performed by the „Hammemum“ Prokuplje public utility company.

The object of the awarded concession by the city of Prokuplje shall be performing four communal activities:

* management, and maintenance of parking lots and charging the parking for up to 360 parking spots;
* managament and charging of the use of up to 120 market stalls from the beginning of the concession period up to no later than the end of the first year of the PPP Contract (when the old market shall be closed), when 165 market stalls in the new market shall be made available to the concessionaire to manage, maintain, and charge, as well as other services related to the city open market operation which shall no longer be managed by HAMMEUM Public utility company.
* the complete service of cleaning and washing the streets and public areas in the city of Prokuplje;
* the complete service of arrangement, maintenance and protection of urban green areas in the city of Prokuplje.
  1. The relationship with HAMMEUM Public utility company
     1. Cancelling the entrusted activities

Cancelling the entrusted activities to the HAMMEUM Public utility company shall be carried out via status changes to the separation and founding (in accordance with the Prokuplje assembly decision on carrying out a statute change of separation and founding over the HAMMEUM Public utility company dated February 18, 2021), in the following manner: communal activities shall be entrused to the newly founded public utility company for performing communal activities related to water supply, funeral services and graveyard maintenance, as well as purification and drainage of atmospheric and wastewater, while communal activities related to parking, city cleanliness, urban green areas, and open markets shall be entrusted to the concessionaire based on this procedure of awarding the concession, the contract on concession, and the decision of the City assembly on entrusting the performance of communal activities to the concessionaire.

* + 1. The right to the assets used by HAMMEUM Public utility company

Since in accordance with the current plans and structure, the equipment and mechanization are owned by the HAMMEUM PUC, it shall probably be spent, written off, or similar, in the statuts changes of separation with founding, bearing in mind that it shall not be made available to the future concessionaire. The concessionaire shall be obliged to have at the concessionaire’s disposal immovable and movable property necessary to perform the entrusted four communal activities, either via lease, or ownership over the assets, that is, objects necessary for operation.

* 1. The place of Concession

The place of concession activity proposed with the Concession is the territory of the City

of Prokuplje.

* 1. The kind of the Concession and the procedure of the concession award

The procedure of the concession award is carried out pursuant to article 20, paragraph 3 and related to article 10 paragraph 1, and in accordance with articles 35 to 41 of the Law on concessions, as a concession for performing communal activities of general interest, whose subject is financing, management, and performing communal activities related to parking lots, city cleanliness, city open markets and urban green areas in the city of Prokuplje.

The concession shall not be awarded in phases.

The concession award procedure shall be carried out without the prequalification.

* 1. Concession fee

The concession fee shall be paid by the Concessionaire to the City in accordance with the dynamic defined with the concession agreement. The minimal annual concession fee shall amount to RSD 500,00.00. The concession fee („**Concession fee**“) shall be paid annually in the period from the first to the fifteenth year of the concession period, and it shall be indexed with the consumer price index, as defined to more detail in Section 4.2 of the Public call („**Annual concession fee**“)

* 1. The term of the concession

The term of the concession shall be 15 years, starting from coming into force of the Concession agreement („**The term of the concession**“)

1. Participation in the concession award procedure
   1. Obtaining the concession documentaion

Each interested person who fulfills the conditions proposed with this section 3.1 and section 3.2 can participate in the Concession award procedure and obtain tender documentation („**Tender documentation**“). The group of bidders, that is, a consortium, can participate in the Concession award procedure pursuant to the conditions proposed with the Tender documentation and the Law on concessions.

The fee for obtaining the Tender documentation shall not be charged.

The request to obtain Tender documentation („**Request for Tender documentation**“) is to be submitted to the City before the last 40th day of the day of announcing in the „Official gazette RS“, **not later than 12:00 p.m.** , to the address given in Section 1, through certified mail with a return receipt, or via an e-mail.

With the request for the Tender documentation, each interested party has to submit the following:

1. An appropriately signed copy of the contract on confidentiality; and
2. An official certificate issued by the competent business registry, not older than 30 days from the day before the day of submitting a request for the Tender documentation, which confirms that the contract of confidentiality signatory is authorized for such representation of an interested party, or the original of a appropriately signed and certified authorization, in case the contract of confidentiality is signed by the person who is not a legal representative of the interested party submitting a request for the tender documentation. In case that any of these documents has not been issued in Serbian language, a certified translation by a court interpreter in the Republic of Serbia has to be enclosed with the relevant document original.

The request for the Tender documentation has to contain the address and the e-mail address of the interested party to which the Tender documentation is to be delivered.

Only the request for the Tender documentation which fulfills the conditions quoted in the section 3.1 shall be considered regular and complete, and enable the interested party to obtain the Tender documentation.

* 1. Conditions for participation in the Concession award procedure
     1. Obligatory conditions for participation

Each bidder has to prove that:

1. It is an active legal entity, entered in the competent business registry in the country of origins;
2. The bidder and its legal representatives have not been convicted of a crime as members of an organized criminal group, that they have not been convicted of commiting a felony against economy, felony against the environment, giving or taking bribe, or a fraud;
3. Has paid its due taxes, contributions, and other public duties in accordance with the regulations of the Republic of Serbia or other country of origins;
4. Respects obligations resulting from the valid regulations on the occupational safety, employment and working conditions, environment protection, and that it has no prohibition to perform its activity which is in power at the time of the submission of a bid.

The proof of eligibility to participate has been prescribed in detail in Appendix 2 to this Public call.

* + 1. Additional conditions for participation, that is, qualification conditions

Each bidder has to meet the following qualification conditions:

* **Business capacity**
* The Bidder has been performing or has performed at least two of the four activities which are to be entrusted, for a minumum of one year.
* The Bidder has been operating at least 15 years in the Republic of Serbia
* **Human resource capacity**
* To have a minimum of 150 employees and employed persons, out of which the following are obligatory:

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| --- | --- | --- |
| no | Professional qualifications | Number of executors |
| 1 | Graduate plant protection engineer | 1 person |
| 2 | Graduate engineer of landscape architecture | 2 persons |
| 3 | Higher education | 2 persons |

* **Business standards**
* To have ISO standards: 9001, 14001, 45001
* **Financial capacity**
* To have had a profit of at least 900 million RSD in the period of three years preceeding the Pulic call, performing the activity from Clause 1 above
* Reference list for the last three years of business the value of 200 million RSD

* **Technical capacity**

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| no | Equipment | Necessary number |
| 1. | Professional grass trimmers | 50 pieces |
| 2. | Мotor mowers | 30 pieces |
| 3. | Мotor air blowers | 15 pieces |
| 4. | Chainsaw | 10 pieces |
| 5. | Тelescopic chain saw | 01 piece |
| 6. | A small freight vehicle (pickup van, havy duty tricycle etc)) | 15 pieces |
| 7. | Freight vehicle for workers’ transportation | 05 pieces |
| 8. | 3,5 до 6t freight vehicle the load capacity of 3.5 to 6 t | 01 piece |
| 9. | A cistern with the street washing equipment, the capacity of min 8m3A | 02 pieces |
| 10. | Operating machine (specialized communal operating machine with a snow plow, a salt or an ice melt spreader and mowing devices (mulchers)- Unimog or similar | 01 piece |
| 11. | Combined construction machine | 01 piece |
| 12. | Roto wash machine for cleaning and vacuuming with rotating brushes | 02 pieces |
| 13. | Small rotary cultivator/ motorcultivator | 03 pieces |
| 14. | Tractor | 02 pieces |
| 15. | Tractor mower | 03 pieces |
| 16. | Mobile working platforms for work at heights (minimum reach of 20 metres) | 01 piece |
| 17. | The „Spider“ - Vehicle for the removal of improperly parked vehicles- | 01 piece |

The evidence of meeting additional, that is, qualification conditions for participation has been prescribed in detail in Appendix 2 to this Public call.

The vehicle mentioned under number 17 has to be purshased within 60 days from the day of concluding the Concession contract.

1. Criterion for choosing the most favourable bid

The criterion for choosing the most favourable bid is the highest bidded Concession fee.

In the bid, the bidder has to quote the Concession fee of a minimum of RSD 500,000.00( that is, the Initial Concession fee and the Annual concession fee), as prescribed furtheron:

* 1. The Annual concession fee

The Annual concession fee is to be paid annually in the period from the first to the fifteenth year of the concession term, and it shall be indexed with the consumer prices index.

The Annual concession fee is quoted and paid in RS dinars.

* 1. Bid assessment

Each bidder [i] (i = 1 to N, that is, Bidder 1, Bidder 2, Bidder 3 etc) shall bid the Concession fee, quoted in dinars:

1. Annual concession fee [ACFi ]

Each bidder's points[Ci] shall be calculated based on the following formula:

*Сi =100% х ACFi*

Each bidder has to take into consideraton the fact that the bidded Annual concession fee shall become contractual obligation, and that it shall be part of the Contract on concession.

The annual concession fee shall be indexed in accordance with the provisions of the Contract on concession which regulate indexation and inflation.

1. Submission of bids

The deadline for the submission of bids is **before the last 60th day of the day of announcing in the „Official gazette RS“at 12:00 pm („Deadline for** **submission of bids**“) in the City hall premises, as stated in Section 1 above.

The bids are submitted in person or via the certified mail with a return receipt, in closed envelopes/ boxes as it has been explained in detail in the Tender documentation. The bids shall be considered submitted after their physical reception by the City.

The bids have to be delivered in Serbian language.

The bids can be made out in either Latin or Cyrilic alphabets.

1. The information on the outcome of the Concession award procedure

The outcome of the Concession award procedure shall be announced not later than 65 days from the day of making the decision on awarding the private partner. The City shall deliver the relevant decision, and enclosed copy of the Minutes on opening and assessment of bids to each bidder via e-mail and without delay publish it on the official web page and on the Portal of public procurements.

1. The protection of the bidders' rights
   1. Each entity interested in the participation or participating in the Concession award procedure has the right to submit a request for the protection of its rights related to the Concession award procedure to the Republic commission for the protection of rights in public procurement procedures („The Commission“)
   2. The request for the protection of rights is submitted to the City at the address in Section 1 of this Public call, via the certified mail with a return receipt.

A copy of the request for the protectionof rights is simultaneously submitted to the Commission at the following address:

**Nemanjina 22-26, 11-000 Belgrade**

* 1. The request for the protection of rights can be submitted against any decision by the City which can be separately refuted, and which in the submitter's opinion has ben made illegally.
  2. The deadlines for the submission of the request for the protection of rights are:

Precise information on deadline(s) for the protection of rights:

The request for the protection of rights can be submitted during the whole public procurement procedure, unless the Law on public procurement has defined differently, and not later than ten days from the day of its publishing on the Portal of public procurements by the procuring entity, which completes the public procurement procedure pursuant to the Law on public procurements.

The request for the protection of rights which challenges the actions of the procuring entity related to the defining of the kind of procedure, the contents of the Public call and the tender documentation shall be considered timely if it has been accepted by the procurement entity three days before the deadline for submitting bids, that is, applications, regardless of the manner of their delivery.

The request for the protection of rights which chalenges the actionf of the procuring entity performed after the expiry of the deadline for submitting bids has to be submitted within ten days from the day of publishing the procuring entity's decision on the Portal of public procurements, that is, the day of the decision delivery in cases when the publishing on the Portal of public procurements has not been prescribed by the Law on public procurements.

After the expiry of the deadline for submiting a request for the protection of rights, the request submitter cannot add to the request the reasons related to the actions which are the subject of challenging in the submitted request, or by challenging of other actions by the procuring entity with which the submitter could or might have been familiar before the expiry of the deadline for submiting the request for the protection of rights, and which the submitter has not put out in the submitted request.

The request for the protection of rights cannot challenge the actions by the procuring entity completed in the public procurement procedure if the request submitter was or could have been familiar with the reasons for its submission before the deadline for submitting the request, and the request submitter did not submit it before the expiry of that deadline. If in the same public procurement procedure a request for the protection of rights was submitted by the same request submitter, that trequest cannot challenge the procuring entity's actions which the request submitter knew about or could have known about at the time of submitting the previous request.

The subject which is challenged in the procedure of the protection of rights cannot be the possible flaws or irregularities in the documentation on the procurement which were not pointed at pursuant to article 97 of the Law on public procurements.

The procuring entity publishes the information on the submitted request for the protection of rights at the Portal for public procurements not later than the following day from the day of the submission of request for the protection of rights. The submission of the request for the protection of rights stops the continuation of the public procurement procedure by the procuring entity until the termination of the procedure of the protection of rights. The request for the protection of rights has to contain the information from article 217 of the Law on public procurement.

If the request submitter takes action in the procedure via the authorized attorney, the request for the protection of rights has to contain the power of attorney in the procedure for the protection of rights.

The request submitter who has residence of domicile, that is the seat abroad, is obliged to appoint the attorney in his request for the protection of rights for receiving written documentation in the Republic of Serbia, with all the necessary information for the communication with the appointed person.

When submitting the request for the protection of rights to the procuring entity, the request submitter has to enclose proof of paying the fee. The proof is any document which can help to establish that the transaction of the proscribed amount has been performed, as defined in article 225 of the Law on public procurements, and that it refers to the subject request for the protection of rights.

A valid proof of the fee payment, pursuant to the Directions on paying fee to the Republic commission for submitting the request for the protection of rights, has been published on the site of the Republic commission.

1. The bidding guarantee

Each bidder is obliged to enclose to his bid a bidding guarantee to prove the seriousness of the bid amounting to 5% of the total bid („The bidding guarantee“) to the City's account.

The form and the contents of the Bidding guarantee, as well as the criterion for the acceptability of the bank which issues it, shall be defined with the Tender documentation.

The guarantee validity period must not be shorter than six months, counting from the day of the deadline for the submission of bids.

**attachments:**

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| 1) | Appendix 1 - | The Contract on confidentiality |
| 2) | Appendix 2 - | The conditions for the participation in the concession award procedure, and proofs for their fulfilment |